SANKEI REAL ESTATE Inc.

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For Immediate Release

Real Estate Investment Trust Securities Issuer
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Notice Concerning Revision of Asset Management Guidelines of Asset Management Company (Establishment of Sustainability Policy)

SANKEI REAL ESTATE Inc. ("SANKEI REAL ESTATE") announces that Sankei Building Asset Management Co., Ltd., to which SANKEI REAL ESTATE entrusts the management of its assets (the "Asset Management Company"), has determined at its investment committee meeting held today to revise the Asset Management Guidelines as described below.

1. Purpose of Revision of Asset Management Guidelines

The Asset Management Company, in the course of asset management business of SANKEI REAL ESTATE, newly established the Sustainability Policy in its Asset Management Guidelines for the purpose of enhancing sustainability initiatives with the belief that sustainability of ESG (environmental, social and governance) considerations will be essential for improvement of the medium- to long-term competitiveness of SANKEI REAL ESTATE and the sustained growth of unitholder value.

Moreover, SANKEI REAL ESTATE plans to participate in this year's GRESB Real Estate Assessment (Note) as part of its efforts to enhance sustainability initiatives.

(Note) GRESB is an annual benchmarking assessment to measure ESG integration of real estate companies and funds, as well as the name of the organization which runs the assessment. It was founded in 2009 by a group of major European pension funds who played leading roles in launching the Principles for Responsible Investment (PRI). The GRESB Real Estate Assessment was created to measure ESG considerations of individual companies or funds in the real estate sector for the purpose of being used as a tool for selection of and effecting dialogues with investment targets, and it has become an international benchmark of investment.

2. Content of Revision of Asset Management Guidelines (Content of Sustainability Policy)

(1) Preserving the Earth environment and reducing the environmental load of assets under management

We will aim for the preservation of the Earth environment by promoting resource conservation, energy saving, water saving, effective use of water resources, waste reduction, recycling and other efforts at our assets under management for contribution towards a sustainable society and coexistence with nature. Moreover, specific initiatives will be stipulated for achieving environmental targets in

greenhouse gas emissions, water consumption, waste output and such at our assets under management in an effort to reduce the environmental load.

(2) Serving the local community

We will endeavor to serve the local community and establish good relations in the surrounding area through our assets under management.

(3) Cooperating with external stakeholders

We will aim to establish good relations with the tenants, property management companies and master lease companies of our assets under management as well as other outside stakeholders and aim to put the sustainability policy into practice through collaboration and cooperation.

(4) Working with executives and employees

We will implement continuous education and awareness-raising activities concerning ESG to deepen the understanding of executives and employees with regard to ESG considerations and increase their abilities. Moreover, we will establish an environment where each executive and employee can exert their ability to the fullest by creating a healthy, safe and comfortable work environment, nurturing human resources and initiating work-life balance.

(5) Observing compliance and establishing/maintaining an internal control system

We will observe ESG-related laws and regulations as well as compliance and endeavor to further strengthen the internal control system to ensure fair transactions, appropriate management of information and prevention of conflicts of interest in an aim to meet the expectations of all stakeholders.

(6) Disclosing ESG information and securing transparency

We will endeavor to disclose information regarding ESG in a timely and appropriate manner and secure transparency by utilizing outside evaluations such as with the acquisition of environmental certifications and utilization of international standards.

3. Date of Revision of Asset Management Guidelines

March 23, 2021

4. Impact on Forecasts

The revision of the Asset Management Guidelines will have no impact on SANKEI REAL ESTATE's operating status for the fiscal period ended February 2021 (September 1, 2020 to February 28, 2021) and fiscal period ending August 2021 (March 1, 2021 to August 31, 2021).

*SANKEI REAL ESTATE Inc. website: https://www.s-reit.co.jp/en/